DEPARTMENT OF VETERANS AFFAIRS
Regional Office
3333 North Central Avenue
Phoenix, Arizona 85012-2436
www.vba.va.gov/ro/phoenixlgy/index.htm

September 27, 2001

Loan Guaranty Information Bulletin 26-01-19

«Company_Name»
«Servicer_Address»
«Servicer_City», «Servicer_State» «Servicer_Zip»

SUBJECT: **Attorney/Trustee Fee Adjustment**

1. VA is adjusting the maximum allowable fees for attorney/trustee services in connection with foreclosure and deeds-in-lieu of foreclosure on VA-guaranteed loans in the states of Arizona and Nevada. The fee adjustment applies to attorney/trustee services rendered on or after October 1, 2001.

2. The maximum allowable fees for legal services in connection with a judicial or non-judicial foreclosure action may not exceed $600. In addition, the attorney/trustee fees allowed in connection with a deed-in-lieu of foreclosure may not exceed $300.

3. The maximum allowable attorney/trustee fees for judicial/non-judicial foreclosures in California will remain as announced in our Loan Guaranty Information Bulletin Number 26-00-20 (i.e. $600). However, the maximum allowable fee for a deed-in-lieu of foreclosure will be increased to $300.

4. All claims are subject to Title 38 Code of Federal Regulations (CFR) 36.4276(b) and 36.4313(b) which stipulate the combined total of the amounts claimed for trustee's fees and legal services may not exceed $850.

5. In addition, for bankruptcy cases completed on or after October 1, 2001, VA will allow up to $450 for obtaining relief from a Chapter 7 Bankruptcy, and up to $650 for relief from Chapter 11 or Chapter 13 Bankruptcies, as well as actual filing fees. In the event of multiple bankruptcy filings immediately preceding loan termination, VA will allow up to $250 for each additional release obtained.

6. Questions regarding allowable fees and charges in Arizona, California and Nevada should be directed to the Phoenix Regional Loan Center at (602) 627-3080.

     /S/
ROBERT JOHNSON
Loan Guaranty Officer

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